

Transmittal of Reissued OAQPS CMS Policy

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
WASHINGTON D.C. 20460

March 31, 1988

OFFICE OF AIR AND RADIATION

MEMORANDUM

SUBJECT:

Compliance Monitoring Strategy for FY 89

FROM:

John S. Seitz, Director
Stationary Source Compliance Division
Office of Air Quality Planning and Standards

TO:

Air Management Division Directors
Regions I, III and IX

Air and Waste Management Division Director
Region II

Air, Pesticide., and Toxic. Management Division Directors
Regions IV and VI

Air and Radiation Division Director
Region V

Air and Toxic. Division Directors
Regions VII, VIII and X

I am transmitting to you the attached Compliance Monitoring Strategy (CMS) for implementation in FY 89. This strategy is the culmination of a multi-year effort that focused on addressing some very important issues of the Air compliance program. I feel the CMS makes major strides in guiding our surveillance activities in a direction that will dramatically improve the program.

As you know, the Compliance Monitoring Strategy will replace the Inspection

Frequency Guidance (IFG) in FY 89, The CMS emphasizes flexibility with accountability. This strategy recommends developing a comprehensive inspection plan that identifies all sources or source categories committed to be inspected by the State agency (means State or local agency throughout) during their fiscal year.

The State inspection plan must address national priorities and may also include inspections not normally of EPA concern. The plan, to fully utilize the flexibility offered, will be organized around four groups of sources.

Group I:

Traditional stationary sources such as C1 and known Class B SIP, NSPS, and operating NESHAPs sources.

Group II:

Asbestos D&R Strategy contractors.

Group III:

Small VOC Compliance Strategy sources.

Group IV:

Sources of State concern.

High Points of the New Strategy

New features of the Compliance Monitoring Strategy are the following.

(1) Ability to address local air pollution concerns.

The CMS provides State agencies with the discretion to address significant local air pollution concerns such as citizen complaints, odor problems, and other localized toxic, hazardous, and nuisance issues. These types of concerns may not be national priorities, but are legitimate resource expenditures under this strategy. Group IV is where local issue and new State-specific initiatives may be addressed.

(2) Use of inspection targeting.

The concept of inspection targeting provides an approach to systemically direct resources toward the most significant problems. The approach employed is a PC-based model using multiple targeting criteria to determine inspection frequency. The targeting model accepts source specific targeting data supplied by the State inspector in such areas as plant emissions, compliance information, and air quality factors. The model

assigns values to these data, and mathematically combines the value to produce a ranking of sources to be inspected along with the estimated resource costs.

(3) Account for the total inspection activity.

This strategy will credit a program for its total inspection activity. The total State inspection resource budget must be provided to EPA for this key aspect to be accomplished effectively.

(4) Maintain minimum resource expenditure levels in the inspection program.

Minimum resource expenditure levels for Group I sources are defined to be the average inspection effort over the last three years. The levels for Group II asbestos D&R contractors are those reported in the SPMS for the latest fiscal year. Group III resource levels are the minimum-number of inspections required by the Small VOC Source Compliance Strategy or supplied by the State, whichever is larger. Group IV level are generally supplied by the state.

5) Focus on national priorities.

Each year the Compliance Monitoring Strategy will reflect the Air program's stated national priorities as identified in EPA's Operating Year Guidance. The national priorities are encompassed by Group I, II, and III.

Comments

The responses I reviewed from both State and EPA personnel were universally supportive of the general approach in the CMS. I thank you for your time. The kinds of concerns expressed typically revolved around the following issues.

1. Targeting model input data may not be known by the inspector.

Since the model's input is often qualitative and is so critical to effective source compliance understanding, the lack of such data is a key finding. In addition, experience has shown that such a structured model helps guide an inspector toward the needed data to carry out effective source inspections and provides supervisors with valuable management control information.

2. More resources (Regional and State) will be needed to implement the CMS with targeting.

Our experience has shown that initially more time is required to establish the source inventory, to develop a working database, and to negotiate a plan. However, the initial resource commitment is very dependent upon the current condition of an agency's database. Thereafter, the resource burden is greatly reduced.

Given a principal aim of targeting is to be a more focused use of scarce resources, targeting over time, is expected to realize a resource savings. A program using targeting should find and correct more problems than a program that does not. Therefore, resources may actually go further because of more effective use.

3. The Inspection Frequency Guidance (IFG) should remain an option.

We recognize in some cases, as mentioned in the CMS, the current IFG will be a more viable means for States to meet their inspection commitment. Therefore, the IFG is the alternate approach. However, we strongly encourage the use of the CMS with targeting whenever possible. To further promote the CMS, we intend to monitor, in which States and for what reasons, the CMS is not used.

One final observation, after reviewing the comments I found a more comprehensive reading of the strategy should answer any remaining questions. It became apparent that inadequate attention was given to reviewing the strategy because so many questions and comment. were already answered in the draft CMS. I will be happy to discuss with anyone issues associated with implementing and interpreting the CMS, but please read it carefully first.

Next Steps

SSCD has arranged to conduct Regional training (States may be invited as well) in the use of the inspection targeting model and provide on-call technical support. Please contact Howard Wright at FTS 475-7034 to schedule training. To effectively coordinate ten Regions training, Mr. Wright would like to know what Regional dates are suitable for this one day training session. Please notify him of your preferred dates by April 22, 1988.

The diskette containing the model, along with the Description and Explanation document will be distributed at the training sessions. For technical support in the model's operation, please contact Perrin Quarles Associates, Inc. at 804- 979-3700.

Attachment

cc: Air Compliance Branch Chiefs
Regions II, III, IV, V, VI and IX

Air Program Branch Chiefs
Regions I, VII, VII and X

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